

Not only are R&D expenditures concentrated in a few companies but they are also concentrated regionally. Ontario and Quebec account for 90% of current intramural R&D expenditures. Another 8% of the expenditures are spent in British Columbia and Alberta, leaving 2% of the work performed in the other provinces.

Industry's total R&D expenditures increased from \$132 million in 1959 to \$643 million in 1974, an average annual increase of 10%. In terms of constant dollars, current R&D expenditures increased rapidly during the early 1960s but have since slowed to an almost static level.

Canadian industrial R&D is largely financed by industry itself. In 1974 the reporting company provided 69% of its R&D funds; 15% came from the federal government; 9% from other Canadian sources; and 7% from foreign sources. The foreign sources are mainly parent or affiliated companies. The proportion of funds coming from each of these sources has not changed much over the past several years. Most of the federal government's financial support goes to the aircraft and electrical products industries.

All industries do not have the same need for R&D. Some, like electrical products, compete largely through new products based on R&D. Others, such as food and beverages, rely more on advertising and style than on R&D. Furthermore, subsidiary companies may rely on their foreign parents for most of their R&D requirements. For example, Chrysler, Ford and General Motors in the US together spent \$2,059.5 million on R&D in 1975, three times as much as all Canadian industry. The different R&D intensity of industries is illustrated by the following percentages of non-government financed R&D to manufacturing value-added for 1974: electrical products, 4.6%; petroleum and coal products, 2.8%; machinery, 2.5%; chemical and chemical products, 2.1%; primary metals, 1.4%; transportation equipment, 0.8%; paper and allied products, 0.6%; food and beverages, 0.3%; and metal fabricated products, 0.1%.

## 9.4 Provincial agencies

### 9.4.1 Economic planning

**Nova Scotia's Voluntary Planning**, an organization representing non-government elements of the Nova Scotia community, was established in 1963 with the objective of involving the private sector in a continuing program of economic and social development.

The organization comprises the following main components: sector committees representing "grass roots" elements of producers, private business, labour and government in agriculture, construction, fisheries, forestry, mining, tourism, transportation and secondary manufacturing; advisory councils in consumer affairs, education, energy and labour-management affairs; the Provincial Planning Board, which is made up of the sector and council chairmen, together with other representatives of business, labour and government; and a small professional staff which provides administrative and technical support to the volunteer groups.

Voluntary Planning provides for the involvement of the private sector in development planning; facilitates the identification of problems by the private sector and relates appropriate private and public resources in an attempt to resolve these problems; and involves the private sector in the analysis of government planning proposals prior to final approval.

Through this planning agency government has a single contact with major elements of the private sector and the private sector has both a forum for discussing mutual problems and a direct channel to government for submitting coordinated views on any aspect of development planning.

A major activity of the fiscal year 1975-76 was a review of the Royal Commission on Education, Public Services and Provincial-Municipal Relations.